

NOTICE: This opinion is subject to formal revision before publication in the bound volumes of NLRB decisions. Readers are requested to notify the Executive Secretary, National Labor Relations Board, Washington, D.C. 20570, of any typographical or other formal errors so that corrections can be included in the bound volumes.

Customer Creation Centers, LLC and Ashley Wedge.
Case 07–CA–104686

April 29, 2014

DECISION AND ORDER

BY MEMBERS HIROZAWA, JOHNSON, AND SCHIFFER

The General Counsel seeks a default judgment in this case pursuant to the terms of an informal settlement agreement. A charge and a first amended charge were filed by employee Ashley Wedge (the Charging Party) on May 8 and July 1, 2013, respectively, against Customer Creation Centers, LLC (the Respondent), alleging that the Respondent violated Section 8(a)(1) of the Act.

Subsequently, the Respondent executed an informal settlement agreement, which was approved by the Regional Director for Region 7 on August 28, 2013. Among other things, the settlement agreement required the Respondent to: (1) rescind a rule in its Customer Creation Centers Code of Conduct (the Code of Conduct), which required employees to maintain confidentiality regarding conversations with management about work-related matters; (2) expunge from its files all copies of the Code of Conduct and either return them to employees or certify to employees in writing that no copies exist; and (3) post and mail appropriate notices.

The settlement agreement also contained the following provision:

The Charged Party agrees that in case of non-compliance with any of the terms of this Settlement Agreement by the Charged Party, and after 14 days notice from the Regional Director of the National Labor Relations Board of such non-compliance without remedy by the Charged Party, the Regional Director will issue a complaint that will include the allegations spelled out above in the Scope of Agreement section. Thereafter, the General Counsel may file a motion for default judgment with the Board on the allegations of the complaint. The Charged Party understands and agrees that all of the allegations of the complaint will be deemed admitted and it will have waived its right to file an Answer to such complaint. The only issue that may be raised before the Board is whether the Charged Party defaulted on the terms of this Settlement Agreement. The Board may then, without necessity of trial or any other proceeding, find all allegations of the complaint to be true and make findings of fact and conclusions of law consistent with those allegations adverse to the Charged Party on all issues raised by the

pleadings. The Board may then issue an order providing a full remedy for the violations found as is appropriate to remedy such violations. The parties further agree that a U.S. Court of Appeals Judgment may be entered enforcing the Board order ex parte, after service or attempted service upon the Charged Party at the last address provided to the General Counsel.

By letter dated September 26, 2013, the Region sent the Respondent a copy of the approved settlement agreement and advised it to take the steps necessary to comply with the agreement. On October 21, 2013, these materials were returned to the Region because the Respondent's business address was no longer operative. By letter dated October 22, 2013, the Region mailed another copy of the settlement agreement and compliance instructions to the Respondent's CEO.

By letter dated December 9, 2013, the Regional Director notified the Respondent's CEO that the Respondent had not complied with the terms of the settlement as it had failed to provide the Region with signed and dated notices to employees, a certification of posting, as well as the names and addresses of employees to whom the notices were mailed. The letter advised that the Respondent's failure to comply with the settlement agreement within 14 days would result in the issuance of a complaint and the possible filing of a motion for default judgment. The Respondent failed to comply.

Accordingly, pursuant to the terms of the noncompliance provisions of the settlement agreement, the Regional Director issued a complaint on February 7, 2014. On February 12, 2014, the General Counsel filed a Motion for Default Judgment with the Board. On February 18, 2014, the Board issued an Order Transferring the Proceeding to the Board and Notice to Show Cause why the motion should not be granted. The Respondent filed no response. The allegations in the motion are therefore undisputed.

The National Labor Relations Board has delegated its authority in this proceeding to a three-member panel.

Ruling on Motion for Default Judgment

According to the uncontroverted allegations in the motion for default judgment, the Respondent has failed to comply with the terms of the settlement agreement by failing to expunge from its files and records all copies of the Code of Conduct, failing to either return copies of the Code of Conduct to employees or certify to employees in writing that no copies exist, and by failing to post and mail appropriate notices. Consequently, pursuant to the noncompliance provisions of the settlement agreement set forth above, we find that all of the allegations in the

DECISIONS OF THE NATIONAL LABOR RELATIONS BOARD

complaint are true.¹ Accordingly, we grant the General Counsel's Motion for Default Judgment.

On the entire record, the Board makes the following

FINDINGS OF FACT

I. JURISDICTION

At all material times, the Respondent has been a limited liability company with an office and place of business in Saint Joseph, Michigan, and has been engaged in the operation of a call center providing sales leads to nonretail commercial customers.

During the calendar year ending December 31, 2013, the Respondent performed services valued in excess of \$50,000 directly to customers in states other than the State of Michigan.

We find that the Respondent is an employer engaged in commerce within the meaning of Section 2(2), (6), and (7) of the Act.

II. ALLEGED UNFAIR LABOR PRACTICES

At all material times, the following individuals held the positions set forth opposite their respective names and have been supervisors of the Respondent within the meaning of Section 2(11) of the Act and/or agents of the Respondent within the meaning of Section 2(13) of the Act:

Jim Gioiosa, Sr.	CEO & President
Patrick Smith	Director of Operations

About May 6, 2013, the Respondent, by Patrick Smith, by oral announcement and distribution to employees of a written "Customer Creation Centers Code of Conduct," promulgated and required employees to sign acknowledged receipt of the following rule:

You are required to be confidential regarding conversations with management concerning work related matters. For example your hourly pay, etc.

About May 6, 2013, the Respondent, by Patrick Smith, threatened employees with a reduction of work hours because they engaged in protected concerted activities.

CONCLUSION OF LAW

By the conduct described above, the Respondent has been interfering with, restraining, and coercing employees in the exercise of the rights guaranteed in Section 7 of the Act, in violation of Section 8(a)(1) of the Act. The Respondent's unfair labor practices described above affect commerce within the meaning of Section 2(6) and (7) of the Act.

REMEDY

Having found that the Respondent has engaged in certain unfair labor practices, we shall order it to cease and desist and to take certain affirmative action designed to effectuate the policies of the Act. Specifically, having found that the Respondent has violated Section 8(a)(1) by promulgating and maintaining an overly broad confidentiality rule and by unlawfully threatening employees, we shall order the Respondent to rescind the unlawful rule, expunge the rule from its records, and notify its employees in writing that this has been done and that the rule is no longer in force.

ORDER

The National Labor Relations Board orders that the Respondent, Customer Creation Centers, LLC, Saint Joseph, Michigan, its officers, agents, successors and assigns, shall

1. Cease and desist from

(a) Promulgating and maintaining an overly broad rule requiring employees to be confidential regarding conversations with management concerning work related matters such as hourly pay.

(b) Threatening employees with a reduction of work hours because they engaged in protected concerted activities.

(c) In any like or related manner interfering with, restraining or coercing employees in the exercise of the rights guaranteed them by Section 7 of the Act.

2. Take the following affirmative action necessary to effectuate the policies of the Act.

(a) Rescind the overly broad rule in the Customer Creation Centers Code of Conduct requiring employees to be confidential regarding conversations with management concerning work related matters such as hourly pay, expunge the rule from its records, and notify the employees in writing that this has been done and that the rule is no longer in force.

(b) Within 14 days after service by the Region, post at its Saint Joseph, Michigan facility copies of the attached notice marked "Appendix."² Copies of the notice, on forms provided by the Regional Director for Region 7, after being signed by the Respondent's authorized representative, shall be posted by the Respondent and maintained for 60 consecutive days in conspicuous places, including all places where notices to employees are customarily posted. In addition to physical posting of paper

¹ See *U-Bee, Ltd.*, 315 NLRB 667 (1994).

² If this Order is enforced by a judgment of a United States court of appeals, the words in the notice reading "Posted by Order of the National Labor Relations Board" shall read "Posted Pursuant to a Judgment of the United States Court of Appeals Enforcing an Order of the National Labor Relations Board."

CUSTOMER CREATIONS CENTERS, LLC

notices, notices shall be distributed electronically, such as by email, posting on an intranet or an internet site, and/or other electronic means, if the Respondent customarily communicates with its employees by such means. Reasonable steps shall be taken by the Respondent to ensure that the notices are not altered, defaced, or covered by any other material. If the Respondent has gone out of business or closed the facility involved in these proceedings, the Respondent shall duplicate and mail, at its own expense, a copy of the notice to all current employees and former employees employed by the Respondent at any time since May 6, 2013.

(c) Within 21 days after service by the Region, file with the Regional Director for Region 7 a sworn certification of a responsible official on a form provided by the Region attesting to the steps that the Respondent has taken to comply.

Dated, Washington, D.C., April 29, 2014

Kent Y. Hirozawa, Member

Harry I. Johnson, III, Member

Nancy Schiffer, Member

(SEAL) NATIONAL LABOR RELATIONS BOARD

APPENDIX
NOTICE TO EMPLOYEES
POSTED BY ORDER OF THE
NATIONAL LABOR RELATIONS BOARD
An Agency of the United States Government

The National Labor Relations Board has found that we violated Federal labor law and has ordered us to post and obey this notice.

FEDERAL LAW GIVES YOU THE RIGHT TO

Form, join, or assist a union

Choose representatives to bargain with us on your behalf

Act together with other employees for your benefit and protection

Choose not to engage in any of these protected activities.

WE WILL NOT promulgate and maintain an overly broad rule requiring you to be confidential regarding conversations with management concerning work related matters such as hourly pay.

WE WILL NOT threaten you with a reduction of work hours because you engage in protected concerted activities.

WE WILL NOT in any like or related manner interfere with, restrain or coerce you in the exercise of the rights listed above.

WE WILL rescind the overly broad rule in the Customer Creation Centers Code of Conduct requiring you to be confidential regarding conversations with management concerning work related matters such as hourly pay, expunge the rule from our records, and notify you in writing that this has been done and that the rule is no longer in force.

CUSTOMER CREATION CENTERS, LLC

The Board's decision can be found at <http://www.nlr.gov/case/07-CA-104686> or by using the QR code below. Alternatively, you can obtain a copy of the decision from the Executive Secretary, National Labor Relations Board, 1099 14th Street, N.W., Washington, D.C. 20570, or by calling (202) 273-1940.



360 NLRB No. 91